



Traceability back to plantation

Wilmar's definition of FFB traceability

The definition of traceable to plantation, or fresh fruit bunch (FFB) traceability, is also the subject of considerable debate. As noted previously, Wilmar has focussed its attention on traceability to mill, because the mill is a good indicator of the approximate location of its suppliers. Wilmar has prepared maps of all its own mills, showing all estate boundaries and the location of each smallholder and dealer, and is pursuing options to help its third-party suppliers to do likewise.

Wilmar's current approach to traceability back to plantation is based on having considerable detail on all growers, as shown in the table below. If any information is missing, that source is considered not traceable. This may result in more conservative results than the other definitions which may have lower data-qualifying requirements.

Wilmar considers each source individually and hence reports the actual percentage (%) of the FFB that is traceable. This for the moment means that most mills in the Wilmar supply chain are 0% traceable to FFB, except those owned by Wilmar and some RSPO certified mills.

	Estates	Smallgrowers	Smallholders	Dealers
Parent company name	Y			
Estate/grower/dealer name	Y	Y	Y	Y
GPS	Y	Y	Y	
Planted area	Y	Y	Y	
Number of growers		Y	Y	Y
Certification status	Y			
% (volume) from this source	Y	Y	Y	Y

While obtaining GPS coordinates and/or maps of each FFB supplier is an objective, it is not the immediate priority. The priority for Wilmar is to engage with mill owners who can reach their own FFB suppliers to ensure the process of transformation can begin across the entire supply shed.

Amongst Wilmar suppliers, there is still a low-level of willingness from many mills to share any information on their FFB suppliers, despite general support on the notion of traceability. Anti-competition regulations are often cited, and this can be an issue – but we believe that fundamentally a culture change is required amongst mills. We believe that this position is slowly changing, and Wilmar wants to show leadership in providing transparency of FFB sourcing.

Mapping Wilmar's own FFB supply base

Starting in 2011, and through to 2015, Wilmar went through a process of data collection of information of all FFB suppliers to our own mills. The objective was to confirm the traceability of our FFB sources.

The mapping categorizes FFB suppliers into 4 categories with shared general characteristics. Note that land size is also a criteria, but this differs in Malaysia and Indonesia. The 4 supplier types are:

- **Estates** – usually with affiliated mill, though can also be companies with multiple estate sites
- **Smallgrowers** – without affiliated mill, usually a single estate owned by private owner, usually with staff and employed management
- **Smallholders** – small scale operations, managed by the owner(s), but may employ workers
- **Dealers** – collection centres where FFB is purchased from the surrounding area

GPS points for each supplier was taken by Wilmar employees, and each site verified. For new FFB suppliers, this forms part of the required information to register as a Wilmar supplier, as Wilmar mills will only receive FFB from pre-defined approved suppliers.

Once GPS points were available, the data was then overlaid on maps from the following data sources:

Indonesia FFB supplier map data sources	Malaysia FFB supplier map data sources
<ul style="list-style-type: none">• RBI Bakosurtanal Map, 2004• Updated survey until September 2014• Wilmar GIS System Database, November 5th 2014• Peta Perubahan Peruntukan Kawasan Hutan Prop Riau, SK 673 Menhut II 2014 tg 8 Agustus 2014	<ul style="list-style-type: none">• DNMM5201 Series JUPEM Topographic Map, 2006• Cadastral Map, Land and Survey Department, Sabah & Sarawak• GPS Survey Data, 2013-2015

Wilmar will be publishing the FFB sourcing of our own mills in phases, starting with the Malaysian maps which are now available on our dashboard:
<http://www.wilmar-international.com/sustainability/dashboard/>.

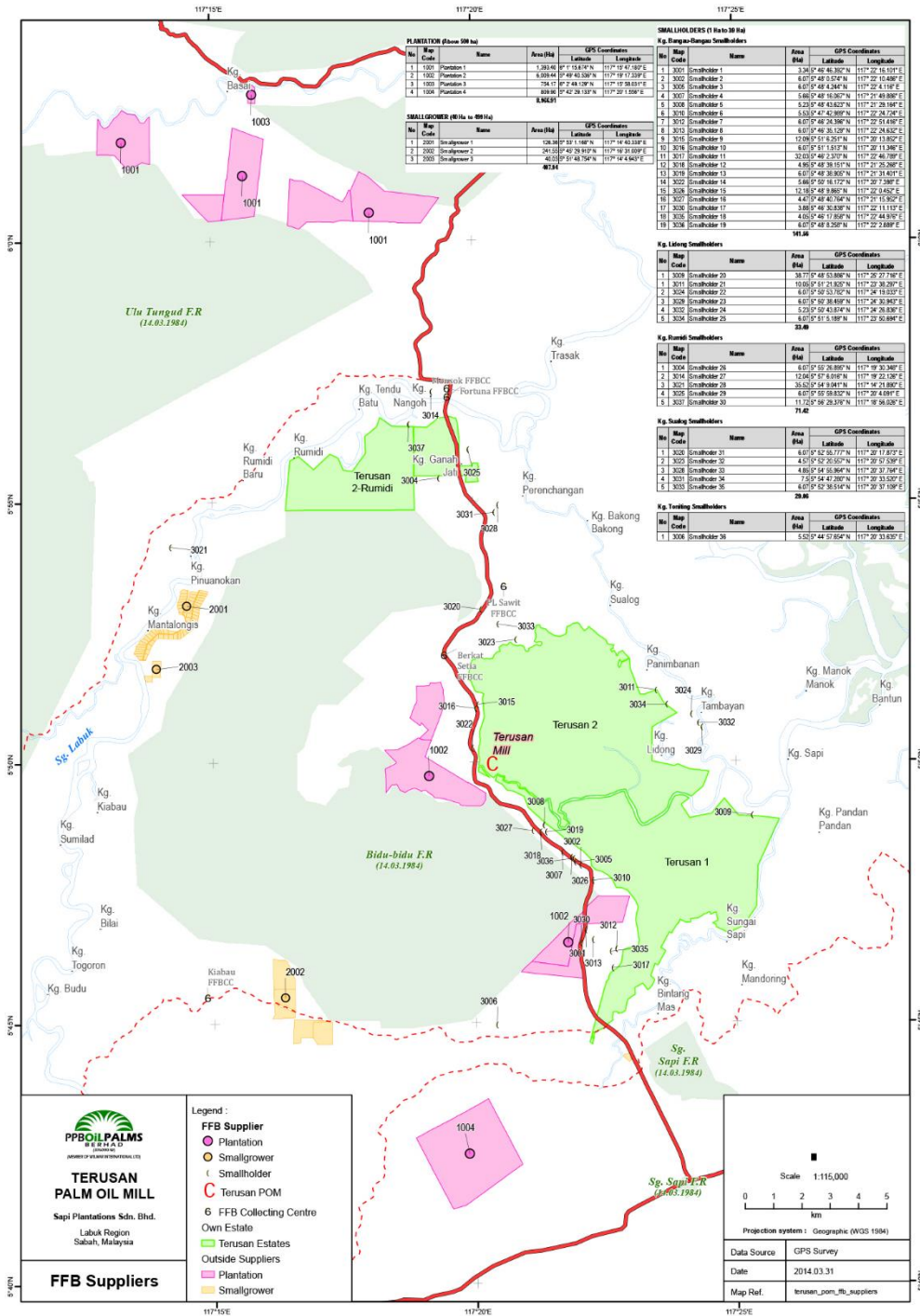


Figure 1: FFB sourcing map of Wilmar's Terusan Mill